

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
SIMPSON COUNTY WATER DISTRICT)	CASE NO. 9610
DISTRICT)	

O R D E R

On June 16, 1986, Simpson County Water District ("Simpson County") filed its application with the Public Service Commission ("Commission") seeking approval of its purchased water adjustment clause and requesting authority to adjust its rates in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause. On June 18, 1986, Simpson County filed evidence of notification to its customers of the proposed rate adjustment.

The Commission having reviewed the evidence of record and being advised, is of the opinion and finds:

1. The purchased water adjustment clause filed by Simpson County is in compliance with 807 KAR 5:067, is in the best interest of Simpson County and the public and should be approved.

2. Simpson County's supplier, City of Franklin, will increase its rate for wholesale water from \$.54 to \$.8478 per 1,000 gallons effective July 1, 1986.

3. The statements of water purchased and sold during the 12-month period ending April 30, 1986, filed by Simpson County

show that its unaccounted for water loss is approximately 11 percent which is less than the maximum of 15 percent allowed by the Commission.

4. The calculations for the purchased water adjustment made by Simpson County are correct and show the total allowable increase in purchased water costs is \$61,234, resulting in a purchased water adjustment of \$.344 per 1,000 gallons.

5. The financial exhibits filed by Simpson County indicate that it cannot absorb any of the increase in purchased water costs.

6. The purchased water adjustment in the amount of \$.344 per 1,000 gallons and the rates in Appendix A are fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The purchased water adjustment clause proposed by Simpson County be and it hereby is approved effective on and after the date of this Order.

2. The purchased water adjustment in the amount of \$.344 per 1,000 gallons and the rates in Appendix A be and they hereby are approved effective for services rendered on and after July 1, 1986.

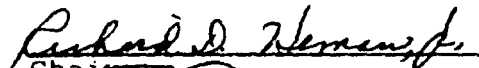
3. For the future application of the purchased water adjustment clause of Simpson County, the base rate for purchased water shall be:

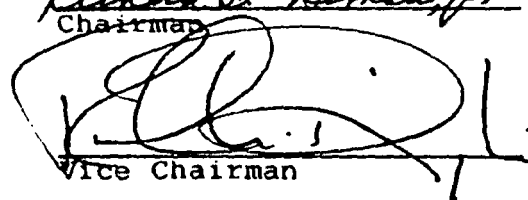
<u>Supplier</u>	<u>Rates</u>
City of Franklin	\$.8478 per 1,000 gallons

4. Within 30 days of the date of this Order, Simpson County shall file its revised tariff sheets setting out the purchased water adjustment clause and the rates approved herein.

Done at Frankfort, Kentucky, this 3rd day of July, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9610 DATED 6/30/86

The following rates and charges are prescribed for customers receiving water service from Simpson County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>Gallonage Block</u>		<u>Monthly Rates</u>
First	2,000 gallons	\$ 6.73 Minimum
Next	2,000 gallons	2.614 per 1,000 gallons
Next	2,000 gallons	2.314 per 1,000 gallons
Next	4,000 gallons	1.914 per 1,000 gallons
Next	20,000 gallons	1.814 per 1,000 gallons
Next	50,000 gallons	1.614 per 1,000 gallons
Next	60,000 gallons	1.414 per 1,000 gallons
Over	140,000 gallons	1.314 per 1,000 gallons

<u>Meter Sizes</u>	<u>Gallons</u>	
5/8 inch	2,000	\$ 6.73 Minimum
3/4 inch	3,000	9.34 Minimum
1 inch	5,000	14.27 Minimum
1 1/2 inch	10,000	24.24 Minimum
2 inch	16,000	35.12 Minimum
3 inch	30,000	60.52 Minimum
4 inch	50,000	92.80 Minimum
6 inch	100,000	169.50 Minimum
8 inch	160,000	252.34 Minimum
10 inch	550,000	764.80 Minimum

The rates to be charged after the minimum rate shall be the same for all size meters.